Basic information

2001/0042(CNS) CNS - Consultation procedure Regulation	Procedure completed
Common organisation of the market (CMO) in beef and veal Amending Regulation (EC) No 1254/1999 1998/0109(CNS) **Subject** 3.10.03 Marketing and trade of agricultural products and livestock 3.10.05.01 Meat	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
AGRI Agriculture and Rural Development	STURDY Robert (PPE-DE)	27/02/2001

Committee for opinion	Rapporteur for opinion	Appointed
BUDG Budgets	HORTEFEUX Brice (PPE-DE)	22/03/2001

Council of the European Union

Council configuration	Meetings	Date
Agriculture and Fisheries	2343	2001-04-24
Agriculture and Fisheries	2339	2001-03-19
Agriculture and Fisheries	2369	2001-07-23
Agriculture and Fisheries	2332	2001-02-26
Agriculture and Fisheries	2348	2001-05-22
Agriculture and Fisheries	2360	2001-06-19

European Commission

Commission DG	Commissioner
Agriculture and Rural Development	

Key events

Date	Event	Reference	Summary
13/02/2001	Legislative proposal published	COM(2001)0087	Summary

26/02/2001	Debate in Council		Summary
28/02/2001	Committee referral announced in Parliament		
19/03/2001	Debate in Council		
24/04/2001	Debate in Council		
25/04/2001	Vote in committee		
25/04/2001	Committee report tabled for plenary, 1st reading/single reading	A5-0142/2001	
15/05/2001	Debate in Parliament		
16/05/2001	Decision by Parliament	T5-0255/2001	Summary
22/05/2001	Debate in Council		
23/07/2001	Act adopted by Council after consultation of Parliament		
23/07/2001	End of procedure in Parliament		
26/07/2001	Final act published in Official Journal		

Technical information

Procedure reference	2001/0042(CNS)
Procedure type	CNS - Consultation procedure
Procedure subtype	Legislation
Legislative instrument	Regulation
Amendments and repeals	Amending Regulation (EC) No 1254/1999 1998/0109(CNS)
Legal basis	EC Treaty (after Amsterdam) EC 036 EC Treaty (after Amsterdam) EC 037 Rules of Procedure EP 170
Stage reached in procedure	Procedure completed
Committee dossier	AGRI/5/14446

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee report tabled for plenary, 1st reading/single reading		A5-0142/2001	25/04/2001	
Text adopted by Parliament, 1st reading/single reading		T5-0255/2001 OJ C 034 07.02.2002, p. 0169-0232 E	16/05/2001	Summary

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2001)0087	13/02/2001	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
EESC	Economic and Social Committee: opinion, report	CES0524/2001 OJ C 193 10.07.2001, p. 0039	25/04/2001	

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Regulation 2001/1512
OJ L 201 26.07.2001, p. 0001 Summary

Common organisation of the market (CMO) in beef and veal

2001/0042(CNS) - 26/02/2001

The Council held a preliminary debate on the Commission's proposals and guidelines to deal with the situation in the beef sector arising out of the BSE crisis. It shared the Commission's analysis of the situation. A number of delegations considered, however, that the measures proposed were inadequate for the purposes of resolving the problems. The measures proposed were insufficient both in terms of restoring the balance of the market in beef and veal in the medium term and as far as support for the producers was concerned. Moreover, the Council took cognisance of a report on the survey on state aids that the Commission had sent out to the Member States and noted that the Commission intended to assess the aids in accordance with existing rules. The Presidency will follow up the views expressed and will return to the Council on the question. In conclusion, the Council instructed the Special Committee on Agriculture to analyse, in the light of the discussions which had taken place, the proposals submitted to it and to report back to the Council at the next meeting in March. In addition the Council decided to consult the European Parliament on the Commission proposals (under the urgent procedure in the case of the proposal on beef and veal) and also to consult the Economic and Social Committee.

Common organisation of the market (CMO) in beef and veal

2001/0042(CNS) - 16/05/2001 - Text adopted by Parliament, 1st reading/single reading

The European Parliament approved the report by Mr Robert William STURDY (EPP/ED, UK) which aims to tackle the slump on the EU beef and veal market caused by the BSE crisis with numerous non-binding amendments. Parliament approved the Commission's proposals to tackle the slump in the beef and veal market caused by the BSE crisis with numerous non-binding amendments. MEPs believe the Commission's proposal fall short of the emergency measures needed and are calling for more extensive farming methods. The House takes the view that the Commission's proposal to place into storage meat from cattle over 30 months old to replace the current 'Purchase for Destruction' schemes, would exacerbate the current oversupply of beef and depress the market further. It therefore voted by the overwhelming majority of 459 votes to 21 with 26 abstentions to oppose the Commission's plan to introduce individual premium rights for the Beef Special Premium and rejected the reinstatement of the 90 head limit on the number of cattle reared by 305 votes to 178 with 33 abstentions. Meps want to go further than the Commission in supporting exstensive farming methods and, as well as supporting the reduction of stocking densities from 2.0 animals per hectare to 1.8 they want farmers to be given incentives to reduce them even further. The Parliament requested that the amount of the premium be set at EUR 160 for 2000, EUR 185 for 2001, EUR 235 for 2002 and the subsequent years. They also voted by 332 votes to 149 to allow farms with more than 90 bulls to take their wage cost into account in order to provide incentives for the more labour intensive grass-land method of animal husbandry. Moreover, the Parliament voted by 321 votes to 161 with 17 abstentions to raise the maximum carcases weight for intervention to 390 kilogrammes in order to limit the beef supply. Lastly, mindful of the enormous difficulties faced by beef producers, Parliament is supporting the Commission's proposals to raise the 350 000 tonne ceiling that triggers the costly 'safety net' for buying beef into public intervention, despite the fact that it will increase the amount of marketable beef, since producers will otherwise be left with no outlet for their beef by the middle of this year. It is also demanding an EU-wide promotion campaign to restore consumers confidence in beef.

Common organisation of the market (CMO) in beef and veal

2001/0042(CNS) - 23/07/2001 - Final act

PURPOSE : to regulate the market in the beef and veal sector following the BSE crisis. COMMUNITY MEASURE : Council Regulation 1512/2001/EC amending Regulation 1254/1999/EC on the common organisation of the market in beef and veal. CONTENT : the measures adopted seek to address the problems of inbalance on the Community market in beef and veal following the BSE crisis. They concern the special premium for male bovine animals and the suckler-cow premium. Further measure could be required depending on the way the situation develops. ENTRY INTO FORCE : this Regulation shall enter into force on 26/07/2001 and it shall apply from 01/01/2002.

Common organisation of the market (CMO) in beef and veal

2001/0042(CNS) - 13/02/2001 - Legislative proposal

PURPOSE : to amend Regulation 1254/1999/EC on the common organisation of the market in beef and veal. CONTENT : in the "Agenda 2000" reform, it was decided to reduce by 20% the intervention price in the beef sector in order to improve the competitiveness of beef in the EU as well on the world market. An increase in existing premia and the introduction of new premia aimed at partial compensation of producer income loss. Furthermore, in order to promote extensive production methods, the extensification premium was nearly tripled and more strict criteria were imposed in view of increasing its efficiency. As this reform came into effect only in 2000, and the price reduction applicable until now is limited to 6,7%. However, two further steps of a 6,7% price drop each are scheduled for 2001 and 2002, while private storage and a safety net intervention is foreseen after 2002. All these measures led independent impact studies on the 2000 reform to expect a positive impact on the EU surplus from the combined effect of lower production and higher consumption. Unfortunately the overall aim of the reform to regain internal consumption and to perform exports without refunds is disturbed by the recent events on the beef market. The market for beef and veal has been seriously disrupted because consumers, concerned at the appearance of new cases of bovine spongiform encephalopathy (BSE), have lost confidence in and turned away from the sector's products. Demand has tumbled as a result of a sharp fall in consumption and exports and owing to a rise in the number of livestock held back on holdings. The continuing fall in prices calls for measures contributing to support the market price at an acceptable level as well as to rebalance this market in medium term perspective. The proposed measures are focusing in particular on limiting the potential for production increases in the future. This is essential in order to allow producers income to recover to levels that contribute to their economic sustainability. In addition, these measures correspond to the increasing demands for measures of production that are also environmentally and socially sustainable. The measures provided for in this Regulation are intended to address the situation currently applying on the market. Further measures could be required in the future depending on the way the situation develops. From the moment testing of all animals above 30 months becomes obligatory, the purchase for destruction scheme which has been operative since 1 January 2001 under Regulation 2777/2000/EC will cease to apply and be replaced by a special purchase scheme on the basis of Article 38 of Regulation 1254/1999/EC and using the same financial provisions. The special purchase scheme is intended to withdraw from the market beef from animals above 30 months which are not currently eligible for intervention. Products under this new scheme may subsequently at the choice of the Member State be either destroyed or kept in store (at Member State's expense) until such time where they can be placed back in the market in an orderly manner (after approval by the Commission). Lastly, depending on developments on the market, theCommission reserves the right to review the situation in connection with the preliminary draft budget for 2002 and to consider any legislative measures to deal with the potential risk to the budget that may arise from the 2002 financial year.